

REMARKS

The Abstract was objected to and has been amended to address the item raised by the Examiner.

Claim 26 was rejected under 35 U.S.C. § 101 as being directed non-statutory subject matter and has been amended as suggested by the Examiner to include registering the jewelry item in a database.

Claims 2, 3, 5, 8, 9, 11, 13-22, 24 and 27 were rejected under 35 U.S.C. § 103 as being unpatentable over Becker in view of GemShield. This rejection is traversed for the following reasons.

In rejecting claim 11, the Examiner cites Becker as teaching bundling registration services with loss protection services. Applicants respectfully disagree. Claim 11 recites "bundling said registration services and said loss protection services related to said jewelry such that said registration services and said loss protection services are associated with said jewelry item regardless of ownership, said registration services and said loss protection services are provided to a consumer." Becker teaches that insurance companies may contact the central headquarters to inquire about information relating to a gemstone's owner or its characteristics. Becker does not teach the offering of insurance services. Becker fails to teach bundling registration and loss protection services such as insurance, replacement coverage and warranty.

The Examiner relies on GemShield as teaching loss protection services bundled with registration services before the jewelry is transferred to the consumer with a cost of the loss protection services bundled with the cost of the jewelry. Applicants respectfully disagree with this interpretation of GemShield.

The cited section of GemShield reads "[a]s a marketing incentive, you can purchase the first year's insurance for your customers. You receive a flat rate for each piece of jewelry you sell. You simply forward an application to us with a description and its selling price. At the end of each month, we send you a report of items sold and total premiums due. You simply send the payment to IJB" (emphasis added).

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GemShield teaches that the retailer or consumer pays for the loss protection service. The cost is not automatically built into the cost of the jewelry. In fact, in GemShield, the retailer or consumer pays the insurance premium which is contrary to including this cost in the cost of the jewelry item. In GemShield, the retailer does not know the costs until an application is submitted and a report is received at the end of the month including the premium. The costs under the GemShield program are also geographically dictated such that different insurance premiums are required for different geographic locations. In embodiments of the invention, the cost of the loss protection services are not geographically dictated because the loss protection services are initiated before the jewelry reaches its end location, the consumer.

Thus, GemShield does not teach "loss protection services are bundled with said registration services before transfer of ownership of a jewelry item to a consumer, a cost of said loss protection services bundled with said registration services being included in a cost of the jewelry item to the consumer" as recited in claim 11. Furthermore, in GemShield, there is an application for loss protection which is subject to approval. In the system of claim 11, there is no application subject to approval. The consumer receives the registration services and the loss protection services automatically and immediately.

Even if Becker and GemShield are combined, the invention of claim 11 does not result. Thus, claim 11 is patentable over Becker in view of Gemshield. Claims 2, 3, 5, 8, 9, 13 and 14 depend from claim 11 and are patentable over Becker in view of Gemshield for at least the reasons advanced with respect to claim 11.

Claim 24 was rejected under 35 U.S.C. § 103 as being unpatentable over Becker in view of GemShield. Claim 24 is similar to claim 11 and is patentable over Becker in view of GemShield for at least the reasons advanced with respect to claim 11. Claims 16-22 and 27 depend from claim 24 and are patentable over Becker in view of GemShield for at least the reasons advanced with respect to claim 24.

Furthermore, new claim 28 indicates that "a wholesaler initiates the registration

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services and initiates the loss protection services.” In GemShield, rates are based upon the retail selling price (the price the consumer pays the retailer) or appraised value. In the method of claim 28, the rate is based upon the wholesale value as the loss protection is initiated at the wholesale level. In GemShield, the retailer or the consumer pays for the loss protection services after the purchase by the consumer. With GemShield, the retailer must sell the item to a consumer and then an application is sent to GemShield. Then, a report is sent to the retailer of items sold and premiums due, which either the retailer or the consumer pays. The jewelry is covered only when the premium is paid. In the method of claim 28, a report is generated when the wholesaler sells the item to a retailer (obviously, prior to the item being sold to a consumer) and a premium/fee automatically covers all the items, immediately upon the consumer’s purchase. Furthermore, in GemShield any loss will be replaced by the trusted retailer jeweler. This translates into the retailer jeweler receiving the replacement income. In the method of claim 28, the wholesaler receives the replacement income business.

Claim 4 was rejected under 35 U.S.C. § 103 as being unpatentable over Becker in view of GemShield and Official Notice. The Official Notice does not cure the deficiencies of Becker and GemShield discussed above with reference to claim 11. Thus, claim 4 is patentable over Becker in view of GemShield and Official Notice.

Claims 6 and 7 were rejected under 35 U.S.C. § 103 as being unpatentable over Becker in view of GemShield and Jewelers Mutual. Jewelers Mutual does not cure the deficiencies of Becker and GemShield discussed above with reference to claim 11. Thus, claims 6 and 7 are patentable over Becker in view of GemShield and Jewelers Mutual.

Claim 12 was rejected under 35 U.S.C. § 103 as being unpatentable over Becker in view of Gemshield and S&P. This rejection is traversed for the following reasons.

As noted above, Becker and Gemshield fail to teach the elements of claim 11, thus adding S&P does not cure these deficiencies. Further, S&P fails to disclose “a wholesaler includes the registration services and loss protection services in the cost of the jewelry item,

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the wholesaler transferring the jewelry item to at least one entity prior to the consumer obtaining the jewelry item" as recited in claim 12. S&P states insurance coverage is offered for wholesalers, but this does not teach or suggest including such insurance coverage with the cost of the jewelry. The proper interpretation of S&P is that the wholesaler has insurance for their own inventory prior to transfer. The insurance is not bundled or associated with the jewelry that is being sold to retailers and consumers as recited in claim 12. In fact, S&P discloses differing insurance programs for wholesalers and personal coverage.

Thus, even if Becker, Gemshield and S&P are combined, the invention of claim 12 does not result. Thus, claim 12 is patentable over Becker in view of Gemshield and S&P.

Claim 26 and was rejected under 35 U.S.C. § 103 as being unpatentable over Becker in view of Gemshield and S&P. This rejection is traversed for the following reasons.

Claim 26 pertains to a wholesaler initiating loss protection services or registration service and including the cost of loss protection services or registration services in a cost of the jewelry item. Becker teaches a registration services, but does not teach a wholesaler including the cost of such a service in a cost of the jewelry. GemShield discloses an insurance service, but does not include the insurance cost in the cost of the jewelry. In fact, in GemShield, the retailer or consumer pays the insurance premium which is contrary to including this cost in the cost of the jewelry item. S&P states insurance coverage is offered for wholesalers, but this does not teach or suggest including such insurance coverage with the cost of the jewelry that is being sold to retailers and consumers. In fact, S&P discloses differing insurance programs for wholesalers and personal coverage.

Thus, even if Becker in view of Gemshield and S&P are combined, the invention of claim 26 does not result.

In view of the foregoing amendments and remarks, Applicants submit that the above-identified application is now in condition for allowance. Early notification to this effect is respectfully requested.

If there are any additional charges with respect to this Amendment or otherwise,
please charge them to Deposit Account No. 06-1130 maintained by Applicants' attorneys.

Respectfully submitted,

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